



Policy Backgrounder: USA Restoring & Igniting the Strength of our Economy (USA RISE) Plan

Key Concepts to Drive Economic Security, Opportunity and Investing in America

As a member of the U.S. Senate and of President Trump's Opening Up America Again Congressional Group, I am dedicating my decades of business experience to helping address our country's economic recovery from this global pandemic. The USA Rise Plan offers a basic framework for a dialogue about America's return to growth, and to limit any further spending to specific areas targeted at strengthening our country. My first priority in this unprecedented health crisis is to do all I can to keep Georgians and all Americans healthy. This, in turn, will help our economic security, which means protecting lives and livelihoods. The Trump administration and Congress have moved quickly to address the COVID-19 pandemic by providing funding to strengthen our healthcare infrastructure, and deliver relief to families, farmers and employers across the country. Addressing the safety of Americans while we contain the spread and develop diagnostics, therapeutics and vaccines remains the highest priority.

With that in mind, we also must address another growing danger. The societal and economic impacts of the measures taken to address COVID-19 are becoming clear. Economic statistics alone do not convey the full costs of this pandemic on our country. It is not only jobs and income lost, but futures impacted, isolation, alcohol and drug abuse, depression, suicide and domestic abuse. The long-term impacts to children, young adults and the most vulnerable are yet to be seen. And now we are seeing evidence of civil liberties being threatened in favor of expanding the government's reach into our lives. America is at its best when we come together to meet the moment as we are doing to flatten the curve, while equipped with our Constitutional rights and freedoms.

In the private sector, I went from being a job seeker to a job creator, helping a small company grow into a Fortune 500 company. As a member of the President's Opening Up America Again Congressional Group, I am focused on solutions that contribute to the dialogue of economic recovery without unnecessarily growing the federal government. Ongoing expansion of the national debt does not come without costs to future generations. That's why I've stayed in close contact with our hospitals, officials in our state, first responders, food banks, small business owners, farmers, ranchers and producers, educators, community banks, our largest employers, nonprofits and chambers of commerce across Georgia to ensure that we are targeted in further investments in our economic recovery.

While my primary concern remains protecting our health, there is a clear need to restart our economy safely. Too many Georgians and Americans have lost their jobs. That's why I developed the USA Restoring & Igniting the Strength of our Economy (RISE) Plan. It acknowledges the success of President Trump's America First agenda in creating jobs and opportunity, reducing bureaucracy and lowering taxes, while ensuring the effectiveness of significant relief made available under legislation recently passed by Congress. It recognizes the goals of a private sector-driven expansion where the government does not crowd out the private sector and its jobs-creation engine:

- 1) *Made in the USA: Supply Chains & Infrastructure that Works*
- 2) *Grown in the USA: Feeding, Clothing & Connecting Americans*
- 3) *Hiring in the USA: Sustaining Employment & Small Business*
- 4) *Families in the USA: Supporting Healthy Lives & Families*

1. Made in the USA: Business, Supply Chains & Infrastructure that Works

- 1.1. Address the need to shift critical parts of our supply chains to America. Implement a “Made in the USA” tax incentive package to provide investment tax credits, intellectual property incentives, and accelerated expensing to bring manufacturing back to the U.S.*
- 1.2. Eliminate payroll taxes for employers for the balance of 2020*
- 1.3. Negotiate and enforce trade agreements that put U.S. manufacturers on a level playing field*
- 1.4. Pass an infrastructure package to spur economic activity across the country*
- 1.5. Evaluate CARES Act provisions to ensure all relief designed to provide liquidity to employers is made available on a timely basis, and no later than May 31*

Over the last few decades, American manufacturing largely moved overseas. President Trump began to address this issue early in his first term, putting America First into action. Now, this pandemic shows that, more than ever, we must support those willing to recommit to investing in the American economy and worker first. Not only has significant outsourcing led to job losses and U.S. dependency on other countries, including our competitors, but in times of stress, critical goods such as pharmaceuticals, medical supplies, automotive parts and other production inputs become mission critical. Specifically following the outbreak of COVID-19, unable to source sufficient medical supplies and testing, it is clear that the U.S. must break its dependency on China and reinvest in our domestic manufacturing capacity.

The U.S. should never again have to rely on a foreign country – especially China – for critical components and products we can make right here in at home, made for and by Americans. It is worth providing incentives that work to begin today, despite the financial impact that most employers have faced this year. This includes offering investment tax credits, full expensing deductions, and a payroll tax holiday, in addition to intellectual property incentives to bring pharmaceutical and other manufacturing back to the U.S. to create jobs in America and reduce our dependency on China. Any future trade agreements between the U.S. and China should be fair, and enforced in a way that focuses on shifting supply chains back to the United States.

To address domestic needs that are widely recognized, Congress should begin by evaluating the elements contained in America’s Transportation Infrastructure Act to support needed investment in capital improvements across our country, spur economic activity and create good paying construction jobs.ⁱ Investing in infrastructure projects will bring jobs to millions of Americans and provide a boost to the economy.ⁱⁱ Permitting timelines that plague the development of infrastructure and energy construction projects should continue to be eased to further boost the economic recovery.ⁱⁱⁱ

2. Grown in the USA: Feeding, Clothing & Connecting Americans

- 2.1. Evaluate the CARES Act provisions to ensure we are maximizing the impact to support and sustain our nation’s food supply*
- 2.2. Create Agricultural Alliance to connect food banks and grocers with American farmers, remove red tape, and create continuous flow of produce*
- 2.3. Enforce China trade deals to hold Chinese government accountable and ensure fair trade for farmers, businesses and consumers*
- 2.4. Address imports of agriculture products to ensure that these products do not crowd our domestic production of fruit, vegetables and other crops*
- 2.5. Expand efforts to complete rural broadband rollout by the end of 2022*

Fresh produce and dairy products are going to waste as the Coronavirus wreaks havoc on supply chains. Farmers are struggling to maintain a workforce to help grow and distribute their products. The stability of our food supply is critical and cannot be taken for granted. While only 2% of our nation are farmers, 100% of us eat. We should never be in a position with the strength and stability of agriculture supply chain where we increasingly need to

import food from other countries. In addition, these supply chain problems are leaving farmers without viable markets and forcing groceries and foodbanks to leave their shelves empty as they feel overwhelmed by requests for assistance. At the same time that American farmers are struggling, the U.S. continues to import fruit and vegetables.

The U.S. Department of Agriculture has shown a strong willingness to innovate to feed Americans. An Agricultural Alliance between U.S. foodbanks, schools, grocery stores and food distribution systems would put U.S. produce first, ahead of that imported from Mexico, Europe, China, and Latin America. This alliance will not only guarantee our families have the best food and nutrition available, grown right here in the U.S., but also provide American farmers a ready food network and purchaser chain to send their production to market right here in the U.S. market.

It's time to end U.S. dependency on China. As with Phase One, any ongoing trade talks with China will help with leveling the playing field by continuing to open the Chinese market for American agriculture and commerce. American farmers and their products must come first for American consumers. Steps should be taken by the U.S. Trade Representative and the Department of Agriculture to review the imports of produce coming to the country to not crowd out domestic producers and to enforce anti-dumping laws. And we should ensure that China lives up to its commitments.

We must continue to invest in rural broadband through USDA initiatives like the Reconnect Program, which support agribusiness, schools and hospitals.

3. *Hiring in the USA: Sustaining Employment & Small Business*

- 3.1. Prevent further expansion of unemployment insurance, offering states flexibility to use supplemental Federal unemployment funds to keep employees connected to jobs*
- 3.2. Provide immediate regulatory relief for businesses in areas that impede hiring, business formation, entrepreneurship and innovation*
- 3.3. Extend by one month the time that employers have to rehire employees for the small business loan period*
- 3.4. Make the Tax Cuts and Jobs Act's tax cuts for working and middle class families permanent*
- 3.5. Two years of business rate cuts and expensing to stimulate job creation and capital expenditures*
- 3.6. Provide liability protections for businesses, hospitals, and agribusiness that have been impacted by the pandemic and are working to keep their doors open and continue serving Americans*
- 3.7. Provide trade school and retraining assistance for workers displaced from pre-COVID jobs*
- 3.8. Provide incentives for medical, nursing and med-tech education completed by 2025*

COVID-19 has had a detrimental impact on small businesses and workers. Unemployment claims climbed to over 26 million and only about half of U.S. small businesses are operating with about a third of hourly small business employees working. Many small businesses will not survive the outbreak, and the prospects for new businesses and entrepreneurs in the struggling economy are dim.

We need to act quickly to remove as many barriers as possible to starting new businesses and decrease burdens placed on existing businesses so they can maintain their workforce. We should establish a regulatory review commission to reduce regulatory barriers and cut red-tape. The commission should determine broad regulatory areas for review (e.g., workplace safety) and create committees for each area.^{ivv} States should be encouraged to coordinate with the regulatory commissions and business leaders to implement the regulatory changes that will free businesses and entrepreneurs from burdensome restrictions. Steps should also be taken to by the Administration to limit the costs of suspended regulations because of COVID-19 and to reduce as many regulations as possible from going back into effect to reduce unnecessary paperwork burdens that add costs or slow economic growth and job creation.^{vi}

Congress should also reform the CARES Act unemployment insurance provisions by allowing states to use federal funds to prefund unemployment insurance savings accounts so employees can be temporarily furloughed by

businesses that were forced to close instead of being forced to be laid off.^{vii} Congress can also give Governors the ability to cap the CARES Act unemployment insurance benefits to not exceed an employee's previous wages.^{viii} This will ease burdens on employers and keep employees connected to their jobs.

The Paycheck Protection Program^{ix} is a crucial life-line for Main Street businesses impacted by COVID-19. My goal is to expand PPP eligibility and provide more funding. The loan forgiveness should be broadened to give businesses more flexibility to rehire employees. Eligibility for the program should be increased to make sure every legitimate small business including non-lobbying chambers of commerce, farmers, developers, real estate agents, and more are able to receive relief. The Department of Treasury and the Small Business Administration should also further streamline the application process to make it more efficient for businesses of every size.

As we seek to restart our economy, Congress should continue to build upon the CARES Act's tax provisions and extend even more relief to working and middle class American families by making the Tax Cuts and Jobs Act individual tax cuts permanent. Congress should also pass two years of business rate tax relief and expensing incentives to encourage job creation and capital expenditures in the U.S. In addition, reasonable steps should be taken to help business owners, hospitals, and agriculture companies who are trying to remain economically viable, provide services to patients, or bring crops to the market to have liability protections if they take measures to protect their customers and employees.

Our recovery from this pandemic will depend on the ability of American business to get back to work and grow our economy. In this unprecedented time of rapidly increasing unemployment, it is more important than ever to provide the supports necessary to get people back to work. We must properly fund our federally supported workforce training programs including the flexibility to use Pell grants to allow those displaced by this pandemic to sharpen their skills or re-train into other in-demand career paths. In addition, our nation's front line workers need reinforcements. Congress should expand existing incentives and provide limited loan forgiveness for medical, nursing and med-tech schooling to supplement the heroic workers on frontlines across the country.

4. Families in the USA: Supporting Healthy Lives & Families

- 4.1. Provide targeted relief for families who have lost their job or been negatively impacted by the pandemic through assistance to working families with dependent children*
- 4.2. Expand funding for the Victims of Child Abuse Program to help vulnerable children*
- 4.3. Lift restrictions on the Paycheck Protection Program for churches, food banks, YMCAs and civil society institutions so they can seamlessly access relief*

Working class families have been hit hard from the Coronavirus. Many have lost their only sources of income as bread earners have gone on temporary unemployment while factories, construction jobs, or restaurants have shut down for several weeks. Families are having difficulty affording their mortgage or rent, and putting food on the table.

Due to the strain COVID-19 has placed on families across the country, I support expanding Funding for Childcare Advocacy Centers (CACs) through the Victims of Child Abuse Program to help vulnerable children who may have been abused or neglected during the pandemic. Steps need to be taken to strengthen families and prevent children from being removed from their parents and keep families together. As society begins to restart, we should also expand the Child Care Development Block Grant to allow families to return to work and ensure that daycare centers can once again serve those families.

Families who have child care benefit accounts, such as the Dependent Care Cafeteria Plan, should be able to contribute more to their plans than the current annual cap of \$5,000. By removing this cap and eliminating the requirement to use these funds before year end we can limit the hardship for many parents who have had to stay at home with their children instead of paying for child care due to the pandemic.

Large nonprofits such as the YMCA and faith-based organizations provide much-needed nutrition, child care and other types of assistance to working families. We should lift the current cap of 500 employees under the Paycheck Protection Program for 501(c)(3) nonprofits providing critical community care services to receive financial assistance, ensuring that non-profits are able to serve their communities. And given the growing needs in our communities, we should support increasing the charitable giving deduction.^x Finally, we must continue to preserve requirements in line with the Hyde Amendment to limit abortion providers like Planned Parenthood from receiving any taxpayer dollars through federal assistance.

ⁱ Congress.gov, "S.2302 - America's Transportation Infrastructure Act of 2019," (<https://www.congress.gov/bill/116th-congress/senate-bill/2302>).

ⁱⁱ Wall Street Journal, "Trump Calls for New \$2 Trillion Infrastructure Bill," (<https://www.wsj.com/articles/trump-calls-for-new-2-trillion-infrastructure-bill-11585668373>).

ⁱⁱⁱ White House, "Presidential Executive Order on Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure," (<https://www.whitehouse.gov/presidential-actions/presidential-executive-order-establishing-discipline-accountability-environmental-review-permitting-process-infrastructure/>).

^{iv} Mercatus, "Regulatory Exemptions Could Be the Key to Helping Small Businesses During and After COVID-19," (<https://www.mercatus.org/bridge/commentary/regulatory-exemptions-could-be-key-helping-small-businesses-during-and-after-covid>).

^v Mercatus, "Regulatory Review Commission + Regulatory Budget = A Diet for Better, More Effective Regulations," (<https://www.mercatus.org/publications/regulation/regulatory-review-commission-regulatory-budget-diet-better-more-effective>).

^{vi} The Club for Growth, "Reigniting the Economy and Restoring Jobs Through Regulatory Relief," (<https://www.clubforgrowth.org/reigniting-the-economy-and-restoring-jobs-through-regulatory-relief/>).

^{vii} Mercatus, "A Timely Redux for Personal Unemployment Insurance Savings Accounts," (<https://www.mercatus.org/publications/covid-19-policy-brief-series/timely-redux-personal-unemployment-insurance-savings>).

^{viii} Heritage Foundation, "Congress Should Focus on Pandemic Control and Fix the CARES Act for an Economic Rebound," (<https://www.heritage.org/budget-and-spending/report/congress-should-focus-pandemic-control-and-fix-the-cares-act-economic>).

^{ix} Ibid.

^x McGuire Woods, "CARES Act Provides Tax Relief to Encourage Charitable Giving in 2020," (<https://www.mcguirewoods.com/client-resources/Alerts/2020/3/cares-act-provides-tax-relief-to-encourage-charitable-giving-in-2020>).